

**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765**

REVIEW REPORT
OF
OFFICE OF LIEUTENANT GOVERNOR
STATE OF INDIANA
March 1, 2002 to February 9, 2005

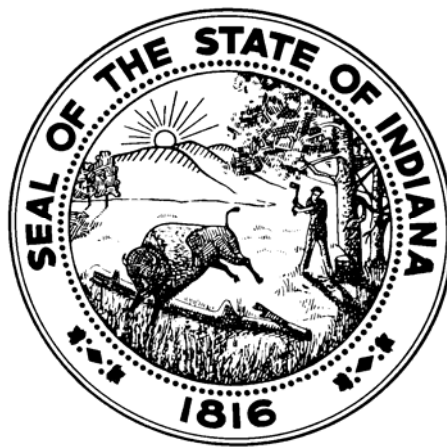


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AGENCY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Lieutenant Governor	Hon. Joseph E. Kernan	01-08-01 to 09-07-03
	Vacant	09-08-03 to 10-19-03
	Hon. Katherine Davis	10-20-03 to 01-09-05
	Hon. Rebecca Skillman	01-10-05 to 01-11-09



STATE OF INDIANA

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE OFFICE OF LIEUTENANT GOVERNOR

We have reviewed the receipts, disbursements, and assets of the Office of Lieutenant Governor for the period of March 1, 2002, to February 9, 2005. The Office of Lieutenant Governor's management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports.

Based on our review, nothing came to our attention that caused us to believe that the receipts, disbursements, and assets of the Office of Lieutenant Governor are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State Agencies, and applicable laws and regulations except as stated in the review comment.

STATE BOARD OF ACCOUNTS

July 20, 2005

OFFICE OF LIEUTENANT GOVERNOR
REVIEW COMMENT
February 9, 2005

FIXED ASSET INVENTORY

The fixed asset inventory of the Office of Lieutenant Governor was not maintained during the review period. A list was compiled in January 2005 upon transition of the office. As the list was not maintained on a perpetual basis we cannot determine with any certainty whether it was complete as to additions and retirements occurring during the review period or prior, or that all assets were consistently tagged upon receipt. Additionally, an annual physical inventory of assets owned was not conducted.

Each state agency is required to report to the Auditor of State all additions and retirements of assets with a cost of \$20,000 or more. Assets costing more than \$500 but less than \$20,000 must be maintained on an asset control system at the agency. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 10)

Assets at the minimum level of \$500 must be tagged. Assets should be tagged upon receipt. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 10)

Once a year, after receiving a Fixed Asset Master Listing, a physical inventory is to be taken and compared to the Master Listing and the agency's listing of assets from its asset control system. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 10)

We recommended that the fixed asset listing be maintained on a perpetual basis, with new assets consistently tagged upon receipt. An annual physical inventory of assets owned should then be conducted as well.

OFFICE OF LIEUTENANT GOVERNOR
EXIT CONFERENCE

The contents of this report were discussed on August 23, 2005, with Anne Hazlett, Chief of Staff; and Steve Boyce, Deputy Chief of Staff of the Office of Lieutenant Governor. The officials concurred with our finding.